

## MINUTES

### REGION 3: RPI COLLABORATIVE

February 28, 2018

University Center

Gaylord, MI

**Call to Order:** The meeting was called to order by Chair Doug Baum at 1:00pm.

**Members Present:** Dan Leonard, Hannah Sanderson, Sara Wycoff McCauley, Collin Hoffmeyer, Tom Stephenson, Doug Baum, Druno Wokcik, Molly Stepanski, Tricia Phelps, Daniel Beltz, Luann Babarak, Audra Leininger, Cameron Brunet-Koch, Patty O'Donnell, Dana McGrew, Scott Herceg, Mary Ellen Jones, Mandi Chasey, Maureen Castern-French, Pam Miller, Lisa McComb, Rosalie Myers, Jonathan Tobin, Steve Schnell, Diane Rekowski.

**Minutes of Previous Meeting:** Erika moved to approve the minutes as presented, D. Leonard seconded. Ayes all, motion carried.

**Financial Review:** Steve Schnell presented financial statements to the board.

**Presentations: Broadband:**

Tom Stephenson- AT&T:

Since broadband has turned into such a hot issue, it will be a major platform issue for the 2018 election cycle. White House policy briefs were handed out. For broadband expansion in the region there is currently the Connect America Program with Frontier, Century Link and AT&T as the providers for Region 3. Up until recently a lot of the funds from the program have gone to infrastructure cost to lay lines and physically connect homes. Michigan is getting roughly \$60 million a year as a part of the program. The federal government is currently allocating \$9 billion a year and the estimated total cost to connect 98% of the population is around \$60 billion. The Connect America Program currently has a goal to pick up 95% of the population. The current standard for rural area broadband speed is 10Mbps download and 1Mbps upload. There was talk of increasing that to 25Mbps download and 3Mbps upload but that has put on the back burner by the FCC chair. A number of the internet providers have started offering low-cost broadband packages to low income families with children in school.

There is a new reverse auction coming up in July 2018 for subsidies for voice and broadband services in unserved, high cost areas. Unlike previous auctions that were only open to existing providers like the Comcast, AT&T, etc., this auction will be open to anyone, which is great for small providers and public utilities.

The governor's office and just created the Michigan Consortium for Advanced Networks with the goal to address and develop key strategies and recommendations for the state and private sectors to address connectivity issues in rural areas. The commission has

until August 1st, 2018 to submit its recommendations to the governor's office so it can be implemented by October 1st 2018.

Under the Connect America Program AT&T will be replacing their copper lines with fixed wireless or fiber to the home in the next four years. Right now they are working in the Grand Rapids area to replace copper lines with fiber to the home and are working their way north from there. The fixed wireless connection speed will be 10Mbps Upload and 1Mbps Upload with a 200GB monthly download cap and will cost around \$70/month.

There is a service in development AT&T called Project AirGig that will run internet service over the power lines capable speeds of 25Mbps download and 3Mbps upload. It may still be awhile before it releases everywhere but it is currently being tested in Indiana and in the Atlanta area. They are looking to partner with the power companies so that their linemen will be able to install the system instead of AT&T technicians.

There are now light and power companies that are looking to build out their own internet networks. Great Lakes Energy has begun laying fiber to offer 100Mbps internet service to rural areas. They are currently looking to build out to 1,500 homes in the Emmet County area.

**Mark Pritchard- Frontier:**

Frontier is currently in the third year of its expansion phase for rural Northern Michigan. In 2016 they installed 36 new sites and are using new legacy copper to connect to homes and in the process of building more sites in order to add more subscribers. These sites are within 2-3 miles of the homes of the farthest subscriber. The new legacy fiber will offer connection speeds of 12Mbps download and 3Mbps upload to subscribers within 1,000 feet of a connection site.

Frontier is currently focusing on expanding into new areas with 130 sites planned to bring fiber to remote areas. Expected connection speeds will be around 10Mbps download, 15Mbps upload depending on the distance of the home from the connection site. The 2018 phase of this expansion will be completed by the third quarter. They are also upgrading their switching offices in order to offer higher speed internet connections to subscribers. Currently they are focusing on implementing these upgrades in the eastern part of Northern Michigan in order to address the issues there with rural infrastructure.

On the commercial side of the organization they are working on making internal changes in order to approach businesses with cost affordable solutions for internet speed issues. Their old standard to bring fiber to businesses had an upfront cost of \$15 a foot to connect to the network. Now businesses that are within so many feet of the main can qualify for Frontier's new fiber service and they will eat the cost of installing fiber directly to the building. Along with that they are offering those same businesses the ability to have a dedicated connection directly to the state hub and can build these services to the exact download and upload speeds that are needed by the business. Installation of this service will take 45-90 days to complete.

## **Talent Update:**

### **MCAN Grant Award and Project Update:**

At the end of last year the board voted to allow the RPI College Exploration Task Group to pursue the MCAN Innovation Grant and create the subcommittee to look at solving the talent issues in our area. When they started talking about the problem they realized there were some gaps in the information that they had about the students in area, particularly whether or not they are choosing to pursuing a postsecondary education and if they are, why.

The subcommittee had talked about trying to put together some focus groups and surveys. When they started to explore that route they realized it was very cost prohibitive given the size of our region and the disbursement of students here. Instead they came up with a strategy to use a scholarship competition to solicit responses from students about barriers to, or reasons why, they are unable to pursue postsecondary education. MCAN was kind enough to match funding which has allowed the subcommittee to give a \$1,000 scholarship to one student from each county in the region.

Drafts of the survey are currently circulating amongst the subcommittee members and plan to share it more widely soon, about the questions they are looking to have students answer as part of their qualifications for this funding. Something unique about this scholarship is that is not necessarily about the quality of their answers but about the completeness of the survey and the willingness to be candid and transparent with their responses about the kinds of counseling they did receive and how they chose their education path and the schools they want to attend. The hope is that along with providing data for the RPI board they will also be able to provide some information back to the schools about what kind of counseling students are getting and how to be more effective in their counseling efforts.

### **Agriculture Summit:**

Working on putting together the Youth Entrepreneurship Initiative. They are working on the details right now and how that will match up with the Regional Entrepreneurial Support Network. Sara and Steve are speaking with potential partners in the schools and will have a lot more information at the next meeting. The Youth Entrepreneurship Initiative will broadly target kids in K-12.

## **Community/Economic Development Updates**

### **NEMCOG:**

S. Schnell had a chance to visit the Alcona Small Farm Conference. There was a lot of people that showed up, all with a great enthusiasm from the subject. One thing that NEMCOG has looked at doing is create a page on their website to house economic development data, population data and have better data for everyone to use in a more digestible way. Getting an idea of the type of data that RPI members typically use would be helpfully in creating the page to make it most beneficial. NEMCOG is also working on the Grayling Place Plan right now, Iron Belle Trails with quite a few Iron Belle Trail Grants to the Northeast area. Up North Trails is working on a long term financial stability plan doing marketing and outreach in order to have that fund long term.

**Sawmill Rural Business Center:**

RPI awarded them a grant last spring which they used to put together a business program and pitch competition. They held an eight week business program people to come in and take a business idea from idea to launch. They had applicant come in and participate in the program. The program culminated in a pitch competition in November that awarded three prizes (\$2,000, \$1,500 & \$1,000) to the top three best pitches and those businesses are now moving forward. Hoping to be able to hold that same program again this year.

Sawmill is also participating with Kirtland in a Youth Entrepreneurship Program in Roscommon and would like to offer the same program in Gaylord.

Roscommon has been certified as a Redevelopment Ready Community and they have now started down the path to move the community through that process.

**Farm to Fork Alcona:**

Held their conference recently and about 100 people come, everything went well for the first time holding the event. Since then they have had their Farming Advisory Council Meeting, had a good turnout for that event. Have three to five events coming up in 2018.

**Taste the Local Difference:**

Addressing financial sustainability, the goal for this year was to double the earned revenue and as of the meeting they have already increased revenue by 65% from last year. This will result a better representation for the whole region in their publication. The magazine will be going to print shortly.

**Lis McComb**

Announced last month that there is a new tech manufacturer in Otsego County called North America Interconnect and they will be bring 129 new jobs to the county. They are a 20 year old company with 3 other manufacturing facilities that produce fiber optic cable and surgical equipment. The facility in Otsego County will be operational by June. Their housing initiative had its fourth meeting and is looking to help build 300-400 new homes to the county, both rentals and family homes.

**DNR**

April 1<sup>st</sup> is the deadline for trail grants. The Statewide Outdoor Rec Plan was approved by the Park Service in December. There is a lot of interesting information in the Rec Plan this time, specifically economic baseline information. Michigan residents go spend time outside roughly 2.8 billion days in a year and \$26-\$35 billion is added to the economy from outdoor recreation.

**MDOT**

Have construction maps for the whole Northeast Region. There has been a lot of talk about funding distribution since there have been areas that have need a lot of emergency repairs. Crews are out filling potholes and will start preparing to move forward with streetscape projects as soon as the weather allows.

**NLEA**

May 11<sup>th</sup> is the annual lunch at Boyne Mountain and if you register before April 11 there is a discount available.

**Discussion: New Career and Education Advisory Council:** Discussion was skipped because of time restraints.

**Other Business:** Steve Schnell is looking to start having some of the RPI meetings at different locations in the region doing different tours. If anyone has ideas of place they would like to visit let Steve know.

Public Comments: None.

Adjournment: 3:07pm.